NOMINATION OF C. CANBY BALDERSTON

HEARING

BEFORE THE

COMMITTEE ON BANKING AND CURRENCY
UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

THE NOMINATION OF C. CANBY BALDERSTON TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

AUGUST 5, 1954

Printed for the use of the Committee on Banking and Currency

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NOMINATION OF C. CANBY BALDERSTON

THURSDAY, AUGUST 5, 1954

UNITED STATES SENATE,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D. C.

The committee met, pursuant to call, at 10:10 a. m., in room 301, Senate Office Building, Senator Homer E. Capehart (chairman) presiding.

Present: Senators Capehart, Ives, Bennett, Bush, Beall, Payne, Goldwater, Maybank, Fulbright, and Lehman.

The CHAIRMAN. We will now consider the nomination of C. Canby Balderston to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1952, to fill an existing vacancy. Mr. Balderston, will you be seated, please?

We have the unanimous endorsement of the two Senators from Pennsylvania, Senator Martin and Senator Duff. Without objection, I will place in the record Mr. Balderston's biography.

(The biographical sketch referred to follows:)

BIOGRAPHICAL SKETCH OF C. CANBY BALDERSTON

Dean, and professor of industry, Wharton School of Finance and Commerce, University of Pennsylvania.

Born Kennett Square, Pa., February 1, 1897; son of John L. and Anna E. (Marshall) Balderston; married Gertrude Emery, July 28, 1922 (deceased); children: Frederick E., Robert W.; married for the second time, Ida Roberts Smedley, November 21, 1942; stepchildren: Walter, Henry, Alice.

Schooling: Westtown School, 1912–14; Pennsylvania State College, 1915–17; B. S. in economics, University of Pennsylvania, 1921; Ph. D., 1928.

Member, board of directors, Federal Reserve Bank of Philadelphia, April 8, 1943, to December 31, 1953; deputy chairman, Federal Reserve Bank of Philadelphia, March 18, 1949, to December 31, 1953.

Assistant professor of industry, University of Pennsylvania, 1925–31; professor since 1931; dean, Wharton School of Finance and Commerce since 1941; chief, War Department Wage Administration Agency, and of Wage Administration Section, Headquarters, Army Service Forces, 1942–45; president, Leeds & Lippincott.

Vice president and director, Philadelphia Chamber of Commerce; trustee: Bryn Mawr College, Industrial Relations Counselors; chairman of board, National Bureau of Economic Research; former president, American Association Collegiate School of Business; chairman of investment committee, Westtown School; member board of managers, Friends Hospital, Frankford.

Member: American Management Association, American Economic Association, Society for Advancement of Management, Theta Xi, Beta Gamma Sigma (president), Society of Friends.

Clubs: Franklin Inn, Rolling Green Golf, Lenape, Ozone.

Author: Managerial Profit Sharing, 1928; Profit-Sharing for Wage Earners, 1937; Group Incentives, 1930; Executive Guidance of Industrial Relations, 1935; Wage Setting, 1940.

Coauthor: Wages—A Means of Testing Their Adequacy, 1931; Management of an Enterprise, 1935; Management of a Textile Business, 1938.
Home: Penncrest, Media, Pa.

The CHAIRMAN. Are there any letters for or against this gentleman? Is there anyone here who wishes to testify against this gentleman? Is there anyone here who wishes to testify for him? I see the Chairman of the Board of Governors of the Federal Reserve System is here.

STATEMENT OF WILLIAM McC. MARTIN, CHAIRMAN, BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM

Mr. MARTIN. I am very glad to testify for Mr. Balderston, to express my pleasure at his nomination and to express my confidence in the belief that the capacity and character of the Board is being enhanced by his appointment.

The CHAIRMAN. Senator Bush, do you have any questions? Senator Payne? Senator Maybank?

Senator MAYBANK. I don't have any questions, but I do think the record of a confirmation of this kind, should show a statement by Mr. Balderston as to how he feels about the Federal Reserve Board, and what his attitude has been as a member of the Federal Reserve System, as I understand it, in Philadelphia. It has always been customary to have such a statement by the individual himself, as Mr. Martin well knows when we confirmed him.

The CHAIRMAN. You have been a member of the Federal Reserve bank in Philadelphia?

STATEMENT OF C. CANBY BALDERSTON, NOMINEE AS MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. BALDERSTON. Yes.

The CHAIRMAN. Do you believe that the Federal Reserve System should be just as independent as is humanly possible for good governmental operation? It isn't entirely independent of the Secretary of the Treasury and the President of the United States.

Mr. BALDERSTON. I recognize that it is an agent of the Congress. I recognize that it occupies a position of trusteeship to many interests. I believe that its mission can be accomplished best if it is independent.

The CHAIRMAN. I presume you recognize that there must be a certain amount of cooperation and coordination between all governmental agencies?

Mr. BALDERSTON. Yes.

The CHAIRMAN. The whole matter has to be coordinated. It just can't run wild. There has to be a certain amount of coordination and cooperation.

Are there any other questions?

Senator MAYBANK. I have one statement, Mr. Chairman. He is taking the place of a former member of the Board who was from Atlanta; am I wrong?

Mr. MARTIN. No, he is taking Oliver Powell's place, who was from Minneapolis.

Senator MAYBANK. There is no one from Atlanta now?

Mr. MARTIN. No.

Senator MAYBANK. There is no one from Dallas, Tex.?

Mr. MARTIN. No.

Senator MAYBANK. There is no one from the South, is there? There has been no one from the time that Carter Glass formed the Board.

Senator PAYNE. And nobody from New England.

Senator MAYBANK. That is right. It is a lot closer from New York and New England than from Dallas.

I just wanted the record to show that in case there should be another appointment, the President should consider someone from that area.

The CHAIRMAN. Thank you very much. We appreciate your appearing. We will now go into executive session. Then at 10:30 we will have a public hearing on the FHA investigation with Mr. George Marcus, attorney from New Jersey.

(Whereupon, the committee went into executive session.)

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NOMINATION OF IRA A. DIXON

HEARING

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON BANKING AND CURRENCY UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

THE NOMINATION OF IRA A. DIXON TO BE A MEMBER OF THE HOME LOAN BANK BOARD

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NOMINATION OF IRA A. DIXON

THURSDAY, AUGUST 5, 1954

UNITED STATES SENATE,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D. C.

The committee met, pursuant to call, at 10:05 a. m., in room 301, Senate Office Building, Senator Homer E. Capehart (chairman) presiding.

Present: Senators Capehart, Ives, Bennett, Bush, Beall, Payne, Goldwater, Maybank, Fulbright, and Lehman.

The CHAIRMAN. The committee will come to order. Our first witness will be Mr. Ira A. Dixon to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1958, to fill an existing vacancy. Mr. Dixon, will you come forward?

Mr. DIXON. Goodmorning, Senator.

The CHAIRMAN. Mr. Dixon has the unanimous approval of the two Senators from Indiana, Senator Capehart and Senator Jenner. I have a wire here from Ralph R. Crosby, president, United States Savings and Loan League, a very fine wire praising Mr. Dixon, and a wire from Joseph P. McMurray, executive director, New York City Housing Authority, who was with this committee for many, many years. It looks as though both Mr. Dixon and Mr. McMurray are getting promotions. Without objection, these will be made a part of the record.

(The telegrams referred to follow:)

WASHINGTON, D. C., *August 3, 1954*.

SENATE BANKING AND CURRENCY COMMITTEE,
Senate Office Building:

Congratulations on appointment of Ira Dixon as member of Home Loan Bank Board. We are gratified that a man of his experience and reputation will be serving in this important post. In behalf of our 4,100 member savings and loan associations and cooperative banks I extend to him our good wishes and assure him of our complete cooperation.

RALPH R. CROSBY,
President, United States Savings and Loan League.

NEW YORK, N. Y., *August 4, 1954*.

Hon. HOMER E. CAPEHART,
Chairman, Senate Banking and Currency Committee, Washington, D. C.:

It is frequently said, and properly so, that the best way to judge a person is to work for him.

In working under Ira Dixon, I learned to know him as one of the fairest, most balanced, extraordinarily commonsensed, and constructive minded Christian gentlemen I know.

As one who has studied and observed the operations of the Home Loan Bank System, I can expertly testify from my discussion on the subject with Ira that he is aware of the tremendous economic importance of the Home Loan Bank System, and will bring to it an objective and public interest view which can only result in an ever-improving, well-functioning, and sound administration.

Because of my long association with the committee, I thought my views about

Ira Dixon's qualifications for membership on the Home Loan Bank Board would be of some value to the committee.

With every best wish to all the members of the committee.

JOSEPH P. MCMURRAY,
Executive Director, New York City Housing Authority.

Senator MAYBANK. I might say he has the unanimous approval of the members on the Democratic side, and I move his confirmation.

The CHAIRMAN. It has been moved and seconded that he be confirmed. Is there anyone here who wishes to be heard in behalf of or against this gentleman?

STATEMENT OF HAROLD P. BRAMAN, EXECUTIVE MANAGER, NATIONAL SAVINGS AND LOAN LEAGUE

Mr. BRAMAN. My name is Harold P. Braman. I am executive manager of the National Savings and Loan League. We wish to commend the President highly for this appointment, to say that we feel it is an ideal appointment. We wish to commend the chairman, also, for his leadership in bringing Mr. Dixon to the attention of the White House. We believe Mr. Dixon will have the full support of the industry. He will have our organization's full support and cooperation.

The CHAIRMAN. Thank you, sir. We will now place in the record at this point, if there is no objection, the biographical sketch of Mr. Dixon.

(The biographical sketch referred to follows:)

BIOGRAPHICAL SKETCH OF IRA A. DIXON

Business address: 303 Senate Office Building, Washington, D. C.
Washington residence: 120 C Street NE., Washington, D. C.
Legal residence: Kentland, Ind.

Personal data

Born September 25, 1890, in Iroquois County, Ill.; married to Cecil Thompson in 1913; 4 children—2 sons and 2 daughters; graduated, Kentland, Ind., High School; attended University of Illinois, 1909–12, 2 years literature and arts; 1 year in law school; admitted to practice law in Newton County, Ind., in 1913.

Present position

Staff of Senate Banking and Currency Committee since February 15, 1952; chief clerk of committee since January 1953.

Business or professional experience

General practice of law and ownership and management of general insurance agency; member of Newton County and Indiana State Bar Associations; also admitted to practice law in Appellate and Supreme Courts of Indiana; served as Newton County prosecuting attorney, Newton County attorney, and attorney for town of Kentland; served one 4-year term as postmaster, Kentland, Ind., and also published a weekly newspaper for 5 years; served as member of three-man committee to recodify Indiana election laws.

Political and civic activities

Member of board of directors, Kentland Chamber of Commerce for 12 years, and as president of the organization 4 years; president of Kentland Rotary Club; served as member of Kentland Public School Board for 6 years; member of Methodist Church, Knights of Pythias, and Fraternal Order of Eagles.

The CHAIRMAN. Does anyone else have any questions? Senator Bush? Senator Maybank? Does anyone wish to be heard?

We thank you, Mr. Dixon.

Mr. DIXON. Thank you, Mr. Chairman.

The CHAIRMAN. We will go into executive session after we have heard Mr. Balderston.

(Whereupon, the committee went on to further business.)

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